

**Gingerbread House Bossier/Caddo
Children's Advocacy Center**

**Financial Statements
December 31, 2010 and 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 21 2011

**Gingerbread House Bossier/Caddo
Children's Advocacy Center**

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**Gingerbread House Bossier/Caddo Children's Advocacy Center
Shreveport, Louisiana**

**Statements of Financial Position
December 31, 2010 and 2009**

Assets			
		<u>2010</u>	<u>2009</u>
Current assets			
Cash and cash equivalents	\$	104,667	\$ 70,899
Other current assets		869	3,131
Contributions receivable		4,600	-
Grants receivable		32,559	28,197
Total current assets		<u>142,695</u>	<u>102,227</u>
 Property and equipment, net		 19,982	 25,127
 Property held for sale		 -	 <u>47,686</u>
 Total assets	\$	<u>162,657</u>	\$ <u>175,040</u>

Liabilities and Net Assets			
Current liabilities			
Accounts payable	\$	1,644	\$ 3,513
Accrued payroll and taxes		15,196	10,175
Total current liabilities		<u>16,840</u>	<u>13,688</u>
 Total liabilities		 <u>16,840</u>	 <u>13,688</u>
 Net assets			
Unrestricted		145,817	161,352
Temporarily restricted		-	-
Permanently restricted		-	-
Total net assets		<u>145,817</u>	<u>161,352</u>
 Total liabilities and net assets	\$	<u>162,657</u>	\$ <u>175,040</u>

The accompanying Notes are an integral part of the financial statements.

**Gingerbread House Bossier/Caddo Children's Advocacy Center
Shreveport, Louisiana**

**Statements of Activities
for the Years Ended December 31, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Revenue		
Individual contributions	\$ 62,345	\$ 34,550
Foundation and corporate support	93,582	104,002
Federal, state, and local grants	108,579	131,325
Fundraising	56,198	34,118
In-kind rent	62,592	57,376
Other	103	279
	<u>383,399</u>	<u>361,650</u>
Total revenue		
Expenses		
Program services	<u>295,605</u>	<u>300,812</u>
Support services		
Management and general	85,827	60,493
Fundraising	17,502	7,996
Total support services	<u>103,329</u>	<u>68,489</u>
	<u>398,934</u>	<u>369,301</u>
Total expenses		
Impairment loss	<u>-</u>	<u>(10,252)</u>
Change in unrestricted net assets	(15,535)	(17,903)
Unrestricted net assets, beginning of year	<u>161,352</u>	<u>179,255</u>
Unrestricted net assets, end of year	<u>\$ 145,817</u>	<u>\$ 161,352</u>

The accompanying Notes are an integral part of the financial statements.

**Gingerbread House Bossier/Caddo Children's Advocacy Center
Shreveport, Louisiana**

**Statement of Functional Expenses
for the Year Ended December 31, 2010**

	<u>Program Services</u>	<u>Support Services</u>	<u>Totals</u>
Accounting and professional services	\$ -	\$ 9,793	\$ 9,793
Dues and subscriptions	20	1,338	1,358
Depreciation	4,648	517	5,165
Fundraising	-	17,502	17,502
Insurance	2,469	23,268	25,737
Office supplies	1,993	6,302	8,295
Postage	332	1,404	1,736
Printing	8,290	2,023	10,313
Repairs and maintenance	473	1,345	1,818
Salaries and payroll taxes	193,393	21,027	214,420
Rent	56,959	5,633	62,592
Technology and website	441	473	914
Training	7,038	-	7,038
Travel	5,530	2,333	7,863
Utilities and telephone	9,837	1,289	11,126
Other	4,182	9,082	13,264
	<u> </u>	<u> </u>	<u> </u>
Total	\$ <u>295,605</u>	\$ <u>103,329</u>	\$ <u>398,934</u>

The accompanying Notes are an integral part of the financial statements.

**Gingerbread House Bossier/Caddo Children's Advocacy Center
Shreveport, Louisiana**

**Statement of Functional Expenses
for the Year Ended December 31, 2009**

	<u>Program Services</u>	<u>Support Services</u>	<u>Totals</u>
Accounting and professional services	\$ -	\$ 12,482	\$ 12,482
Advertising	10	-	10
Building rent	-	180	180
Dues and subscriptions	-	238	238
Depreciation	1,566	150	1,716
Fundraising	-	7,996	7,996
Insurance	19,114	4,054	23,168
Office supplies	7,731	10,076	17,807
Postage	1,170	766	1,936
Printing	4,361	1,470	5,831
Repairs and maintenance	642	34	676
Salaries and payroll taxes	180,214	17,473	197,687
Rent	52,212	5,164	57,376
Technology and website	-	2,500	2,500
Training	16,159	355	16,514
Travel	1,628	3,309	4,937
Utilities and telephone	14,897	784	15,681
Other	1,108	1,458	2,566
	<u> </u>	<u> </u>	<u> </u>
Total	\$ <u>300,812</u>	\$ <u>68,489</u>	\$ <u>369,301</u>

The accompanying Notes are an integral part of the financial statements.

**Gingerbread House Bossier/Caddo Children's Advocacy Center
Shreveport, Louisiana**

**Statements of Cash Flows
for the Years Ended December 31, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Change in net assets	\$ (15,535)	\$ (17,903)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
Depreciation	5,165	1,718
Impairment loss	-	10,252
(Increase) decrease in		
Grants receivable	(8,962)	20,343
Other current assets	2,262	(869)
Increase (decrease) in		
Accounts payable	(1,869)	3,183
Accrued payroll and taxes	5,021	(1,068)
Cash provided by (used in) operating activities	<u>(13,918)</u>	<u>15,634</u>
Cash flows from investing activities		
Purchase of capital assets	-	(15,142)
Proceeds from sale of property held for sale	47,686	-
Cash provided by (used in) investing activities	<u>47,686</u>	<u>(15,142)</u>
Net increase in cash and cash equivalents	33,768	492
Cash and cash equivalents, beginning of year	70,899	70,407
Cash and cash equivalents, end of year	<u>\$ 104,667</u>	<u>\$ 70,899</u>

The accompanying Notes are an integral part of the financial statements.

Gingerbread House Bossier/Caddo Children's Advocacy Center

Notes to Financial Statements
December 31, 2010 and 2009

Note 1 Organization and Significant Accounting Policies

The Gingerbread House Bossier/Caddo Children's Advocacy Center (the "Gingerbread House") is a not-for-profit corporation formed under the laws of the State of Louisiana. It began serving abused children in 1998. The mission of Gingerbread House is to lessen the trauma experienced by child abuse victims as allegations are investigated and to provide support for the child victim in any resulting proceedings within the criminal justice system. Gingerbread House works in collaboration with local law enforcement, child protective services, the district attorneys' offices, and medical and mental health professionals to provide services for abused children and their families. All services are provided at no cost to the victim's family or referring agency. Gingerbread House's program activities include the following:

Forensic Interviews - Gingerbread House employs forensic child interviewers trained in obtaining the details necessary to conduct effective and complete investigations of child sexual and severe physical abuse cases in a non-threatening manner. Children ages 2-14 from all social, economic and ethnic backgrounds are served.

Multidisciplinary Investigations - Gingerbread House has established a Multidisciplinary Team (MDT) approach for responding to child abuse cases. The MDT consists of members from law enforcement, the Office of Community Services, the district attorneys' offices, and medical and mental health agencies. All cases are coordinated, reviewed, and tracked by the MDT.

Mental Health Therapy Interventions - Follow-up counseling services for child victims interviewed at Gingerbread House and their non-offending caregivers are offered at the Gingerbread House by a Ph.D., Licensed Professional Counselor at no cost to the victim's family.

Family Advocacy & Supportive Services - Gingerbread House offers referral services for child abuse victims and their families. Educational support groups for both child victims and their non-offending family members are offered year-round. Adult groups are facilitated by the Counselor and children's groups are facilitated by the Family Advocate. In addition, Gingerbread House coordinates annual outreach programs in the local community.

Community Education & Prevention Services - Gingerbread House coordinates local efforts in child abuse education and awareness. Services include Knowledge is Power, a body safety/sexual abuse risk-reduction program with components for children (preschool through elementary school level), school personnel and other mandated reporters, and parents. In addition, Gingerbread House conducts numerous presentations for community organizations on topics related to child abuse.

Professional Development & Training Opportunities - Gingerbread House provides ongoing training for members of the Multidisciplinary Team and local agencies working in the field of child abuse. Events include spring MDT training, cultural diversity workshops, videoconferences (through partnership with local agencies), national conferences such as National Symposium on Child Abuse (Huntsville, AL) and Crimes Against Children (Dallas, TX), and a number of other training opportunities.

Basis of Accounting - The accounting policies of Gingerbread House conform to U.S. generally accepted accounting principles as applicable to voluntary health and welfare organizations. Gingerbread House prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. The more significant accounting policies of Gingerbread House are described below:

Financial Statement Presentation - The Gingerbread House has adopted the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958 "Not-for-Profit Entities." Under FASB ASC 958, the Gingerbread House is required to report information regarding its financial position and activities based on the absence or existence of donor-imposed restrictions. Accordingly, net assets of the Gingerbread House, and changes therein, may be classified and reported as follows, as financial circumstances require:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the governing board of the Gingerbread House for specific purposes.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Gingerbread House and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Gingerbread House. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes.

Cash and Cash Equivalents and Concentration of Credit Risk - The Gingerbread House considers all highly liquid debt instruments with a remaining maturity at date of purchase of three months or less to be cash equivalents. The demand deposit balances, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2010 and 2009, the Gingerbread House's cash balances were fully secured.

Financial instruments that are exposed to concentrations of credit risk consist of cash and grants and contribution receivables. Grants and contribution receivables are principally with federal, state, local agencies, foundations and individuals, within the geographic area. Realization of these items is dependent on various individual economic conditions, and the Gingerbread House required no collateral. Receivables are carried at estimated net realizable values. As of December 31, 2010 and 2009, the Gingerbread House had no significant concentrations of credit risk.

Contributions - In accordance with FASB ASC Topic 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor-imposed restrictions.

Promises to Give - Contributions are recognized when the donor makes a promise to give to the Gingerbread House that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. There were no promises to give at December 31, 2010 and 2009.

The Gingerbread House uses the allowance method to determine uncollectible unconditional promises receivable, if material. The allowance is based on prior years' experience and management's judgment. Receivables deemed uncollectible are charged off against the allowance when management believes the uncollectibility is confirmed.

Property and Equipment - Assets with useful lives over two years and in excess of \$1,000 are capitalized. Assets purchased are recorded at cost and depreciated using straight-line method over the estimated useful life. Donated assets are recorded at their estimated fair value at the date of donation and are depreciated using the same method as assets purchased.

Public Support - All contributions are considered to be available for unrestricted use, unless specifically restricted by the donor.

Advertising Costs - Advertising costs are expensed as incurred. For the years ended December 31, 2010 and 2009, the Gingerbread House recorded advertising costs of \$0 and \$10, respectively.

Donated Services - Donated property and non-cash donations are recorded as contributions at their fair market value at the date of donation. Contributed services are recognized if the services require specialized skills and Gingerbread House would be required to purchase these services if donated services were not available. Amounts that have been reflected in the financial statements for contributed services have met the criteria for recognition under FASB ASC Topic 958, *Accounting for Contributions Received and Contributions Made*.

Federal Income Tax - Under provisions of Section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the State of Louisiana, the Gingerbread House is exempt from income taxes, except from unrelated business income. There were no unrelated business activities for the years ended December 31, 2010 or 2009. Accordingly, no tax expense was incurred for the years ended December 31, 2010 or 2009.

On January 1, 2009, the Gingerbread House adopted the provisions of the *Accounting for Uncertainty in Income Taxes* Topic of the FASB ASC, which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Gingerbread House's income tax returns. Management evaluated the Gingerbread House's tax positions and concluded that the Gingerbread House had taken no uncertain tax positions that required adjustments to the financial statements to comply with the provisions of this guidance. The Gingerbread House is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2006.

Allocation of Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates - The preparation of financial statements in conformity with accounting principles, generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassification - Certain 2010 amounts have been reclassified to conform with the 2011 financial statement presentation.

Note 2 Contributions and Grants Receivable

Contributions receivable of \$4,600 and \$0 and grants receivable of \$32,558 and \$28,197 at December 31, 2010 and 2009, respectively, are classified as unrestricted and are considered to be fully collectible within one year. Accordingly, no allowance for uncollectible receivables has been recognized at December 31, 2010 and 2009.

Note 3 Property and Equipment

A summary of property and equipment at December 31, 2010 and 2009 is as follows:

	2010	2009
Office equipment	\$ 37,830	\$ 37,830
Furniture & fixtures	15,075	15,075
Toys/games	2,662	2,662
Counseling tools	3,209	3,209
Total property and equipment	58,776	58,776
Accumulated depreciation	(38,814)	(33,649)
Property and equipment, net of accumulated depreciation	\$ 19,962	\$ 25,127

Depreciation expense was \$5,165 and \$1,716 for the years ended December 31, 2010 and 2009, respectively.

Note 4 Leases

The Gingerbread House leases its office space. The term of the lease covers the period from February 1, 2009 to January 31, 2010, and was renewed for an additional twelve month period ending January 31, 2011. Rent expense under the lease for the years ended December 31, 2010 and 2009, was \$1 and \$1, respectively.

Note 5 Non-Cash Donations

During the years ended December 31, 2010 and 2009, the Gingerbread House received the following non-cash donations of materials, services, advertising and use of facilities that have been reflected in the financial statements of the Gingerbread House:

	2010	2009
Use of facilities	\$ 62,592	\$ 57,376
Facility rental and audiovisual services	10,270	-
Design and printing services	5,747	5,000
Membership and gift card donations	-	165
Advertising	-	10
	<u>\$ 78,609</u>	<u>\$ 62,551</u>

The use of the facilities where the Gingerbread operates was donated by Christus Health Northern Louisiana, d/b/a Christus Schumpert Health System, which owns the real property. Amounts have been recognized as revenues and expenses in the accompanying financial statements for the approximate fair market value of the donated facilities, \$62,592 and \$57,376 for the years ended December 31, 2010 and 2009, respectively.

Note 6 Fundraising Activities

The Toast and Roast is an annual fundraising event that was held by the Gingerbread House in 2010 and 2009. In 2010 and 2009, this revenue included sponsor contributions, admission fees, and a silent auction.

The revenue and expenses related to fundraising for the year ended December 31, 2010, were as follows:

Toast and Roast gross revenue	\$ 67,592
Less: Cost of direct benefit to donors – dinners	(11,534)
Net revenue from Toast and Roast event	56,058
Other fundraising revenue	140
Total net revenue from fundraising events	<u>56,198</u>
Toast and Roast direct expenses	17,502
Total fundraising expenses	<u>17,502</u>
Net increase in unrestricted net assets from fundraising events	<u>\$ 38,696</u>

The revenue and expenses related to fundraising for the year ended December 31, 2009, were as follows:

Toast and Roast gross revenue	\$ 41,010
Less: Cost of direct benefit to donors – dinners	(8,000)
Net revenue from Toast and Roast event	33,010
Other fundraising revenue	1,108
Total net revenue from fundraising events	<u>34,118</u>
Toast and Roast direct expenses	7,996
Total fundraising expenses	<u>7,996</u>
Net increase in unrestricted net assets from fundraising events	<u>\$ 26,122</u>

Note 7 Contingent Liabilities

The Gingerbread House receives grants that are subject to review and audit by the agency providing the funding. Such reviews and audits could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

Note 8 Subsequent Events

The Gingerbread House has evaluated all subsequent events through June 22, 2011, the date the financial statements were available to be issued.

ROBERTS, CHERRY AND COMPANY
Certified Public Accountants, Consultants

Independent Auditor's Report

To the Board of Directors of
Gingerbread House Bossier/Caddo
Children's Advocacy Center
Shreveport, Louisiana

We have audited the accompanying statements of financial position of Gingerbread House Bossier/Caddo Children's Advocacy Center (a not-for-profit organization) as of December 31, 2010 and 2009, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Gingerbread House Bossier/Caddo Children's Advocacy Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gingerbread House Bossier/Caddo Children's Advocacy Center as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.


ROBERTS, CHERRY AND COMPANY

A Corporation of
Certified Public Accountants
Shreveport, Louisiana
June 22, 2011

**Gingerbread House Bossier/Caddo
Children's Advocacy Center**

**Schedule of Current Year Findings and Responses
December 31, 2010**

None in current year

**Gingerbread House Bossier/Caddo
Children's Advocacy Center**

**Schedule of Prior Year Findings and Responses
December 31, 2010**

2009-1 Financial Statement Review and Closing Adjustments

Observation:

The executive director and office manager have a good understanding of the Gingerbread House's operations and an impressive grasp of its challenges. The executive director also has a solid accounting background, but she does not have extensive training in applying and implementing complex accounting guidance. During the course of our audit, we proposed material audit adjustments related to the application of generally accepted accounting principles.

Current Status: Resolved